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Attorneys for Chapter 11 Debtor in Possession and Plan Proponent

**UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF NEVADA**

In re:

Case No. 22-11824-abl

Front Sight Management LLC,

Chapter 11

Debtor.

Hearing Date: November 18, 2022
Hearing Time: 9:30 a.m.

**STIPULATION RESOLVING THE COMMITTEE'S OBJECTION TO PLAN
CONFIRMATION AND MODIFYING DEBTOR'S SECOND AMENDED PLAN**

Front Sight Management LLC, the chapter 11 debtor in possession and plan proponent herein (the “Debtor”), the Official Committee of Unsecured Creditors (the “Committee”) appointed in the Debtor’s case, and Ignatius Piazza, the Debtor’s manager and owner, hereby enter into this stipulation (the “Stipulation”) (a) resolving the Committee’s objection [ECF No. 495] (the “Confirmation Objection”) to the Debtor’s *Second Amended Chapter 11 Plan of Reorganization* [ECF No. 405] (the “Plan”), and (b) modifying the Plan as set forth below.

RECITALS

A. On May 24, 2022, the Debtor filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code, commencing this bankruptcy case.

B. On June 9, 2022, the United States Trustee appointed the Committee [ECF No. 116].

C. On October 3, 2022, the Debtor filed its Plan which provides for, among other things, a \$3 million cash contribution to a reserve account maintained by Stretto for the benefit of holders of allowed general unsecured claims (the “GUC Reserve”).

D. Under the Plan, the bar date for filing proofs of claim related to the rejection of prepetition memberships is 30 days after the Effective Date - estimated to be at the end of December.

E. On October 31, 2022, the Committee served a deposition notice which scheduled a deposition of Dr. Piazza on November 11, 2022. The parties ultimately agreed to deposition on November 14, 2022.

F. On November 7, 2022, the Committee filed its Confirmation Objection.

G. On November 11, 2022, the Debtor filed its omnibus reply [ECF No. 519] to objections to Plan confirmation.

H. The Committee, the Debtor and Dr. Piazza engaged in good faith negotiations regarding the Confirmation Objection and agreed upon the terms set forth below.

STIPULATION

WHEREFORE, the parties hereby agree and stipulate, subject to Court approval, as follows:

1. The foregoing recitals are incorporated herein in full by this reference.

2. Dr. Piazza will contribute to the GUC Reserve additional value from his share of the net savings related to the disputed claims of Las Vegas Development Fund, LLC and Michael Meacher, so that the GUC receives 25% of the total net savings up to a total contribution to the GUC Reserve of \$500,000.

3. The Debtor shall form a liquidating trust (“Trust”) to administer the GUC Reserve, with Amanda Demby of Province, LLC as the liquidating trustee. The Trust shall provide for the formation of an oversight committee consisting of three members of the Committee. The Trust agreement shall be filed with the Court and referenced in the Plan confirmation order.

4. In exchange for Dr. Piazza's up to \$500,000 contribution to the GUC Reserve and the formation of the Trust, the Committee agrees to withdraw its Confirmation Objection and to not proceed with the deposition of Dr. Piazza.

THE FOREGOING IS AGREED:

DATED: November 17, 2022

BG Law LLP

By: /s/ Susan K. Seflin

Susan K. Seflin

Attorneys for Chapter 11 Debtor in Possession
and Plan Proponent

DATED: November 17, 2022

Carlyon Cica Chtd.

By: /s/Tracy O'Steen

Dawn M. Cica

Tracy O’Steen

Nevada Counsel to the Official Committee of
Unsecured Creditors of Front Sight Management LLC

DATED: November 17, 2022

Garman Turner Gordon LLP

By: /s/ Gregory E. Garman

Gregory E. Garman, Esq.
Tucker M. Bilbrey

Teresa M. Pilatowicz
for Justice

Attorneys for Ignatius Piazza